

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS  
OF SAN BERNARDINO COUNTY, CALIFORNIA  
AND RECORD OF ACTION**

**37**

August 5, 2003

**FROM: DAVID H. SLAUGHTER**, Director  
Real Estate Services Department

**ED KIECZYKOWSKI**, County Librarian  
Library

**SUBJECT: LEASE AMENDMENT WITH JOSEPH AND ELEANOR BUOYE**

**RECOMMENDATION:** Approve Amendment No. 5 to Lease Agreement No. S95-035 with Joseph and Eleanor Buoye to extend the term through August 31, 2005 for 1,310 square feet of library and office space in Mentone for the Library in the amount of \$12,000.

**BACKGROUND INFORMATION:** On April 17, 1978, the Board approved a month-to-month lease for 810 square feet of library space located at 1870 Mentone Blvd. in Mentone. On October 15, 1990, the Board approved a five-year lease agreement commencing September 1, 1990 and ending August 31, 1995, which added 500 square feet for a total of 1,310 square feet. On May 1, 1995, the Director of Real Estate Services Department (RES D) approved a new three-year lease agreement, No. S95-035, commencing September 1, 1995 and ending August 31, 1998. In the eight years since the lease was originally approved, the Director of RES D and the County Administrative Officer (CAO) have approved four amendments, which are summarized below:

<u>Amend. No.</u>	<u>Approval date</u>	<u>Action</u>
1	Sept. 18, 1998	<ul style="list-style-type: none"><li>• Approved by Director of RES D</li><li>• Extended the term one year to August 31, 1999</li></ul>
2	Aug. 19, 1999	<ul style="list-style-type: none"><li>• Approved by Director of RES D</li><li>• Extended the term two years to August 31, 2001</li><li>• Increased the monthly rent from \$400 (\$0.31/sq. ft./modified gross) to \$448 (\$0.34/sq. ft./modified gross)</li><li>• Added two one-year options to extend the term</li><li>• Added County Child Support Compliance Program provision to the lease</li></ul>
3	May 21, 2001	<ul style="list-style-type: none"><li>• Approved by CAO</li><li>• Exercised the first of two one-year options to extend the term</li></ul>
4	Oct. 4, 2002	<ul style="list-style-type: none"><li>• Approved by CAO</li><li>• Exercised the second of two one-year options to extend the term</li></ul>

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The Library requested RESD extend the current lease agreement an additional two years while the County negotiates with the Metropolitan Water District to acquire property in Mentone to construct a new facility for a Senior Citizen Center/Reading Room and library. It is estimated this new facility will be completed in two years. County Policy 08-02-01 allows the use an alternative procedure when compliance with a formal request for proposals or solicitation of proposals requirements would unreasonably interfere with the financial or programmatic needs of the County or when the use of an alternative procedure would otherwise be in the best interests of the County. Per the policy, RESD negotiated an amendment to the existing lease to extend the term two years. This will enable the library to remain in its current location until the new facility is completed. The lease terms are summarized as follows:

Lessor:	Joseph and Eleanor Buoye		
Location:	1870 Mentone Blvd., Mentone		
Size:	1,310 sq. ft. of library and office space		
Term:	Two years commencing September 1, 2003		
Options:	None		
Rent: (old) (new)	<u>Cost per sq. ft. per month</u>	<u>Monthly</u>	<u>Annual</u>
	\$0.34 modified gross	\$448	\$5,376
	\$0.38* modified gross	\$500	\$6,000
	*Low range for the Mentone area		
Annual increases:	None		
Improvement Costs:	None		
Custodial:	Provided by County		
Maintenance:	Provided by Lessor		
Utilities:	Water and sewer provided by Lessor; gas and electric provided by County		
Right to Terminate:	County has the right to terminate with 90-days notice		
Parking:	Sufficient for County needs		

**REVIEW BY OTHERS:** This item has been reviewed by County Counsel (Rex Hinesley, Chief Deputy County Counsel) on June 9, 2003; Library (Rick Erickson, Assistant County Librarian) on July 8, 2003; and the County Administrative Office (Daniel R. Kopp and Tom Forster, Administrative Analysts) on July 28, 2003.

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**FINANCIAL IMPACT:** The total amount of this two-year amendment is \$12,000. The cost in 2003-04 will be \$5,896 (\$448 per month x two months and \$500 per month x ten months). Payments will be made from the Rents budget (AAA RNT) and reimbursed from the Library budget (SAP CLB). Sufficient appropriation is available in both budgets. Approval of this item will not result in local cost. State budget impacts are not considered a major factor in the leasing decision because program expenditures are funded 100% by dedicated property tax revenue. Annual lease costs are as follows:

<u>Year</u>	<u>Annual lease cost</u>	<u>Estimate of other costs associated with this lease</u>
September 1, 2003 – August 31, 2004	\$6,000	\$4,650
September 1, 2004 – August 31, 2005	\$6,000	\$4,790

**COST REDUCTION REVIEW:** The County Administrative Office has reviewed this agenda item, concurs with the department's and RESD's proposal, and recommends this action based on the Library's need to provide services in the Mentone area. Lease payments are made from non-general fund sources. Funding is available, ongoing in nature, and not in imminent jeopardy of being cut at the state or federal level. The lease can be terminated for any reason with 90-days notice.

**SUPERVISORIAL DISTRICTS:** Third

**PRESENTER:** David H. Slaughter, Director, 7-7813

SH 7-7814      mf 7-7825